STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: BIKINI VENDING, INC.,

A/K/A 360 WIRELESS, INC.,

NETWORK SERVICES DEPOT, INC., THEIR OFFICERS, DIRECTORS,

EMPLOYEES, AFFILIATES, SUCCESSORS,) File No. 0400211

AGENTS AND ASSIGNS, CHARLES V. CASTRO, EDWARD BEVILACQUA, AND JAMES MURDOCK

AND DAMES MORDOCK

CONSENT ORDER

TO THE RESPONDENT:

James Murdock

1681 Knox Road 1550N Dahinda, Illinois 61428

WHEREAS, Respondent James Murdock (the "Respondent") on November 10, 2005, executed a certain Stipulation To Enter Consent Order (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondent has consented to the entry of this Consent Order of Prohibition.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph seven (7) of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows:

- 1. That Respondent, Network Services Depot, Inc., (hereinafter "Network Services"), is a purported business entity, with a last known address of 3000 East Birch Street, Suite 105, Brea, California 92821;
- 2. That Respondent, Bikini Vending Inc., a/k/a 360 Wireless (hereinafter, "Bikini Vending"), is a purported business

entity, with a last known address of 1370 West San Marcos Blvd., San Marcos, California 92069;

- 3. That at all times relevant, the Respondent, James Murdock, was an Officer, Director, Agent or Employee of Network Services and Bikini Vending;
- 4. That on or about February 10, 2003, Respondent, James Murdock, offered and sold to HR, an Illinois Resident, 18 internet kiosks, as well as a service and management agreement for said kiosks, for an investment of \$99,000 at \$5,500 per kiosk; in return for said investment, Respondent Network Services would provide purported locations for said kiosks, Bikini Vending would purportedly service and manage said kiosks, and HR would receive a monthly deposit in his bank account representing the purported income/commission derived from all of the aforesaid 18 kiosks he had purportedly purchased;
- 5. That as a result of the sale of the aforesaid kiosks to HR, Respondent earned a 16% commission in the amount of \$15,840;
- 6. That Network Services was the sole client of Bikini Vending;
- 7. That HR was given no choice by Network Services other than Bikini Vending to manage and service said kiosks;
- 8. That each of the above referenced kiosk agreements is an investment plan and therefore a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
- 9. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
- 10. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
- 11. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to

file with the Secretary of State any document or application required to be filed under the provision of the Act;

- 12. That at all times relevant hereto, Respondent James Murdock failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
- 13. That Section 11.E.(3) of the Act provides, inter alia, that if the Secretary of State shall find that any person is engaging or has engaged in the business of selling or offering for sale securities as a dealer or salesperson without prior thereto and at the time thereof having complied with the registration or notice filing requirements of this Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
- 14. That Section 11.E(4) of the Act provides, <u>inter alia</u>, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as the costs of investigation and reasonable expenses;
- 15. That by virtue of the foregoing, the Respondent, James Murdock, is subject to a fine of up to \$ 10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure, and an order which permanently prohibits the Respondent from offering or selling securities in the State of Illinois.

WHEREAS, the Respondent James Murdock has acknowledged that the allegations contained in paragraph eight (8) of the Stipulation shall be adopted as the Secretary of State's Conclusions of Law as follows:

- 1. That by virtue of the foregoing, the Respondent James Murdock violated Sections 12.A and 12.D of the Act;
- 2. That by virtue of the foregoing, the Respondent James Murdock is subject to an order which permanently prohibits Respondent from offering or selling securities in the State of Illinois.

NOW THEREFORE IT IS HEREBY ORDERED THAT:

Consent Order

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- 1. The foresaid allegations contained in the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusions of Law;
- 2. The Respondent shall be permanently prohibited from offering and selling securities in the State of Illinois;

ENTERED: This 22 Mday of Manher, 2005.

Beese White

JESSE WHITE Secretary of State State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12(D) of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

Attorney for the Secretary of State Johan Schripsema Illinois Securities Department Jefferson Terrace 300 West Jefferson Street Suite 300A Springfield, Illinois 62702 Telephone: (217) 524-1688

Hearing Officer: Jon K. Ellis Attorney at Law 1035 South 2nd Street Springfield, Illinois 62704